

NORTH OGDEN CITY COUNCIL MEETING MINUTES

December 22, 2015

The North Ogden City Council convened in an open meeting on December 22, 2015 at 6:00 p.m. at the North Ogden City Office at 505 East 2600 North. Notice of time, place and agenda of the meeting was delivered to each member of the City Council, posted on the bulletin board at the municipal office and posted to the Utah State Website on December 18, 2015. Notice of the annual meeting schedule was published in the Standard-Examiner on December 21, 2014.

PRESENT:	Brent Taylor	Mayor
	Kent Bailey	Council Member
	Lynn Satterthwaite	Council Member
	Cheryl Stoker	Council Member
	Phillip Swanson	Council Member
	James Urry	Council Member (arrived at 6:15 p.m.)
STAFF PRESENT:	Bryan Steele	City Administrator/Finance Director
	Annette Spendlove	City Recorder/HR Director
	Jon Call	City Attorney
	Rob Scott	City Planning Director
	Eric Thomas	Planning Commission Chairman
VISITORS:	Lex Shaw	Carl Turner

Mayor Taylor welcomed those in attendance. City Recorder Annette Spendlove then offered an invocation and led the audience in the Pledge of Allegiance.

ACTIVE AGENDA

1. **PUBLIC COMMENTS**

Mike Shaw, 2085 N. 750 E., thanked the City for organizing a sub for Santa campaign for the family of his brother, who recently passed away. He stated it meant very much to him and his family and all are grateful. Mayor Taylor recognized the City's Police Department for organizing the campaign; they raised funds and a couple of Officers and their families did the shopping to purchase gifts for the family. The children had a chance to meet Santa and it was a great event. He stated he will pass Mr. Shaw's thanks on to the Police Department and noted they actually performed sub for Santa for five families, three of which experienced the loss of their father in the last year. He added the "Shop with a Hero" event was held last Saturday; this is an event where children have the opportunity to go Christmas shopping with a Police Officer or Fire Fighter.

2. **DISCUSSION AND/OR ACTION ON AN AMENDED RESOLUTION REGARDING THE DEVELOPMENT AGREEMENT FOR THE VILLAGE AT PROMINENCE POINT TO CORRECT MINOR TYPOGRAPHICAL ERRORS**

A memo from Mayor Taylor explained that upon further review, staff found a number of grammatical and technical mistakes in the Village at Prominence Point (VAPP) Development Agreement. Our City Attorney recommends that the Council pass an amended Development Agreement that incorporates these corrections. An amended Development Agreement will be presented during the meeting for Council consideration. Nothing substantive in the Agreement has been changed—only minor grammatical and technical errors have been corrected.

Mayor Taylor reviewed his staff memo, after which City Attorney Call briefly reviewed the grammatical and technical changes made to the document. Mayor Taylor stated he was comfortable during the December 15 meeting recommending approval of the agreement, however, he felt there were enough grammatical and technical changes that it was appropriate to bring it back to the Council for reconsideration.

Council Member Satterthwaite motioned to approve Resolution 23-2015 approving a revised Development Agreement for the Village at Prominence Point to correct minor typographical errors. Council Member Bailey seconded the motion.

Voting on the motion:

Council Member Bailey	aye
Council Member Satterthwaite	aye
Council Member Stoker	aye
Council Member Swanson	aye

The motion passed unanimously.

3. **PUBLIC HEARING TO RECEIVE COMMENTS REGARDING AN AMENDMENT TO 11-16 HOME OCCUPATIONS TO CLARIFY PERMITTED USES**

A memo from City Planner Scott explained that when the City Council is acting as the land use authority, it is acting in a legislative capacity and has wide discretion. Examples of legislative actions are general plan, zoning map, and land use text amendments. Legislative actions require that the Planning Commission give a recommendation to the City Council. Typically the criteria for making a decision, related to a legislative matter, require compatibility with the general plan and existing codes.

The North Ogden City Council adopted revisions to the home occupation ordinance on March 31, 2015. Since that time several home occupation uses have been identified that need to be addressed. The Planning Commission conducted a public hearing on December 2, 2015 to consider adding additional home occupation permitted uses.

The following uses are being presented to consider as additions to the permitted use list: beauty salon, esthetician, dental lab, and reupholstering shop.

The amendment has the following components.

1. The current ordinance lists hair salon but does not address beauty shop or esthetician. These have both been added with the requirement that only one individual can be servicing customers. The definition of an esthetician is: ‘a person with special training in administering facials, aromatherapy, hair and skin care, makeup, etc.’
2. Reupholstering shop: We have a reupholstering shop that currently exists. They operate out of their basement. Customers bring their vehicle to the home, the seats are removed and the customer takes the vehicle with them. Included in the conditions are that no vehicles are left at the home occupation location.
3. Dental lab: There is one dental lab in the city that operates from a home. The home occupation regulations will dictate the scale of this operation, e.g., there are no customers that come to this facility and it is done completely within the home.

The vision section of the General Plan has the following applicable statements:

North Ogden City will continue to be a community of beautiful homes and friendly people that capitalizes on the impressive setting beneath the slopes of Ben Lomond peak. North Ogden will strive to:

- Assure that North Ogden remains a beautiful place to live, work, and recreate;
- Assure improved visual quality for all types of development; and
- Preserve the essential characteristics of a family friendly community that assures an enduring legacy, small town feel, and high quality of life in North Ogden.

The memo offered the following summary of potential City Council considerations:

- Are the changes adding various permitted home occupations appropriate?
- Does the General Plan support these amendments?

The memo concluded the Planning Commission recommends that the City Council adopt the proposed ordinance.

Mr. Scott reviewed his staff memo.

Council Member Bailey added that he participated in discussions regarding this issue and there was one business type that could not be accommodated in residential areas: furniture manufacturing businesses.

Mayor Taylor opened the public hearing at 6:19 p.m.; there were no persons appearing to be heard.

Council Member Swanson motioned to close the public hearing. Council Member Stoker seconded the motion.

Voting on the motion:

Council Member Bailey	aye
Council Member Satterthwaite	aye
Council Member Stoker	aye
Council Member Swanson	aye
Council Member Urry	aye

The motion passed unanimously.

4. DISCUSSION AND/OR ACTION TO CONSIDER AN ORDINANCE AMENDING 11-16 HOME OCCUPATIONS TO CLARIFY PERMITTED USES

Council Member Bailey motioned to adopt Ordinance 2015-30 amending 11-16 Home Occupations to clarify Permitted Uses. Council Member Stoker seconded the motion.

Voting on the motion:

Council Member Bailey	aye
Council Member Satterthwaite	aye
Council Member Stoker	aye
Council Member Swanson	aye
Council Member Urry	aye

The motion passed unanimously.

5. PUBLIC HEARING TO RECEIVE COMMENTS REGARDING CDBG (COMMUNITY DEVELOPMENT BLOCK GRANT) VIEWS AND SUGGESTIONS AS TO POSSIBLE PROJECTS

A staff memo from Building Official Kerr explained North Ogden City is required to hold a public hearing before the preparation of the application for the Community Development Block Grant. The purpose of this hearing is to provide information to the public that includes the following: the amount of CDBG funds expected to be available for projects in the coming year; types of activities that may be undertaken with CDBG funds; identify and discuss the Community Development needs of the community; obtain citizens' views and suggestions regarding possible projects and respond to those suggestions and questions. This public hearing has been noticed as required by Utah State law.

Mr. Kerr reviewed his staff memo and read the following statement:

“This public hearing is being called to consider potential projects for which funding may be applied under the 2016 Community Development Block Grant (CDBG) Program. Money must be spent on projects benefiting primarily low to moderate income persons.

The Wasatch Front Regional Council (WFRC), of which North Ogden City is a member, is expecting to receive approximately \$1 million. All eligible activities that can be accomplished under this program are identified in the CDBG application policies and procedures manual and interested persons can review that manual at any time. Eligible activities are projects such as public works water and sewer lines, fire stations, acquisition of real property, provisions of public services such as food, banks or homeless shelters and loan programs for private businesses which would then hire low income persons. The program can also pay for housing rehabilitation or down-payment assistance for low income homeowners. In the past the City has received grant funding for the senior center, provision of loans for low income residents to renovate their homes, water line replacement in the Green Acres area, sidewalk and curb and gutter installation in the Green Acres area, and replacement of the Oaklawn Park restroom with a facility compliant with the Americans with Disabilities Act (ADA). The City has a capital investment plan that is part of the regional conservation plan, which is also available for review. Via the capital investment plan, the City Council votes to identify improvement projects for the City and the project chosen for CDBG funding must be included in that plan. This public hearing is to receive questions, comments, or suggestions regarding potential grant projects or other issues.”

He then reviewed the timeline for submitting the CDBG application and receiving potential grant awards.

Mayor Taylor opened the public hearing opened at 6:26 p.m.; there were no persons appearing to be heard.

Council Member Satterthwaite motioned to close the public hearing. Council Member Swanson seconded the motion.

Voting on the motion:

Council Member Bailey	aye
Council Member Satterthwaite	aye
Council Member Stoker	aye
Council Member Swanson	aye
Council Member Urry	aye

The motion passed unanimously.

Mr. Kerr noted that he will work to provide information regarding project prioritization during the January 18, 2016 meeting.

****Council Member Bailey moved to recess the City Council meeting and convene in the special Redevelopment Agency (RDA) meeting. Council Member Swanson seconded the motion.**

Voting on the motion:

Council Member Bailey	aye
Council Member Satterthwaite	aye
Council Member Stoker	aye
Council Member Swanson	aye
Council Member Urry	aye

The motion passed unanimously.

RDA

1. **DISCUSSION AND/OR ACTION TO CONSIDER CDA ECONOMIC FUND EXPENDITURES FOR 1700 NORTH ROAD CONSTRUCTION AND WATERLINE PROJECT**

A memo from Mayor Taylor explained the RDA recently approved formation of a Community Development Area (CDA) to stimulate economic development efforts in the city. The CDA collects tax increment on projects that are stimulated to occur in the project area, and this tax increment serves as the funding source for economic development stimulus. The RDA created a project budget for the CDA, and two economic development stimulus budget items were included in the CDA budget for the Village at Prominence Point (VAPP). These include: installation of a waterline (\$110,000 from the CDA) and construction of 1700 North (\$400,000 from CDA). These two infrastructure costs are “extraordinary” costs of development, because the utilities were not all accessible at the site and because 1700 North needed to be constructed, and the southern half of the road is not in North Ogden City. Thus the entire cost of the road had to be shouldered by the development on the north side of the road, despite only being able to develop one side of the road to recoup those costs. The City has been working with a developer to develop 30 acres at Washington Boulevard and 1700 North into an assisted living center and a mixed-use project. It is anticipated that both projects will begin Spring 2016, and that the assisted living center will be completed in Fall 2017 and the first apartments in Spring 2017. This project will produce significant property tax increment and sales tax revenues in the commercial parcels of the mixed-use project. It is projected that the tax increment from this project will be approximately \$65 million once the project is fully built out (by 2025). The projected Property Tax Increment Revenues from this project are as follows:

- Year 1 - \$86,761
- Year 2 - \$156,712
- Year 3 - \$275,764
- Year 4 - \$288,932
- Year 5 - \$288,932

Projected tax increment revenues from the project will rapidly repay the CDA the funds invested, and the tax increment will continue to flow into the CDA, allowing other projects to be funded in the CDA project area. The inclusion of these projects into the CDA budget and the commitment of CDA funds has been essential for these projects to move forward. Without the participation of

the CDA, these projects likely would not have happened. The investment of CDA funds will provide a solid return on investment that will enable the CDA to make investments in other projects to stimulate further economic development. The use of CDA funds for the infrastructure projects on Washington Blvd. and 1700 North represent an excellent return on tax dollars, and I strongly recommend you allocate the CDA funds that were planned and pre-budgeted for these projects.

Mayor Taylor reviewed his staff memo and used the aid of a PowerPoint presentation to identify the breakdown of how the tax increment will be distributed to the various taxing entities that serve the project. There was a discussion regarding the net present value of the total acreage in the project area, with Board Member Urry stating he would like to understand how that number was calculated since it is the starting points for all formulas used to project tax increment sharing. Mayor Taylor noted that professionals from Zion's Bank – the City's financial advisor – were engaged to determine the net present value; the current taxable value of the property is \$16.9 million. He then reviewed a map of the project area, identifying all properties in the CDA and he identified the current land use and indicated whether each property is currently occupied or vacant. The Board engaged in high level discussion regarding the financial information for the properties within the CDA, with Mayor Taylor noting that the estimated property valuations and tax increment revenues are conservative. He reviewed the project list and budget approved by the Board at the time the CDA was created, noting the total project costs are \$5.4 million, which is equal to the projected tax increment revenue the City will receive from development within the CDA. Board Member Urry expressed his concern that the budget was prepared and projects will be funded even though no tax increment has been received. He added he is also concerned that the City participated in the installation of a water line and a road for the Village at Prominence Point project when other developers are typically required to complete similar infrastructure improvements on their own. He inquired as to the amount the City has spent on the projects. Mayor Taylor stated that the total cost of the road is nearly \$2 million, but the City only paid half of what was deemed to be extraordinary costs, or \$450,000; the developer will pay the rest of the cost. He clarified the City participates in infrastructure projects throughout the City when a developer is required to widen a road wider than their development mandates; in this case, the City is paying more towards the project because the property is in a CDA and the intention of this mechanism is to stimulate economic development. He added the construction of 1700 North will also benefit the properties to the south, which will eventually be annexed into North Ogden City according to the City's annexation policy plan. Board Member Swanson clarified that only a small portion of 1700 North is located in unincorporated Weber County and the remainder of the road is in the City. Mayor Taylor stated that is correct and noted that of more importance is whether property frontage is located in the City or unincorporated Weber County. Board Member Urry again addressed the share of the road project cost the City paid for and he asked how the cost sharing agreement was reached. Mayor Taylor noted the developer has never been 'pushy' in asking for incentives; the cost sharing was reached through reasonable negotiations and the City did not offer more than could be justified. He noted that the Village at Prominence Point will be the highest value project in the entire CDA and will contribute more than half the incentive received by the City and other taxing entities. He then reviewed projects that may potentially be completed in the project area, after which Board Member Bailey noted that the Board has already heard all this information and had the opportunity to ask questions about the proposed projects to be completed within the CDA. Mayor Taylor then further examined the

properties included in the CDA and discussed potential development or redevelopment opportunities; he focused on the current taxable value of the properties and buildings as well as the potential increased taxable value if certain economic development projects are eventually completed. The projected increment increase is based on the expected development to be completed in each of the first four years of the CDA term. The City asked that the other taxing entities provide the City with flexibility in designating when year one of the CDA will be; the City does not want to waste a year or two of the CDA term if no development is occurring and, therefore, the City can designate either 2017, 2018, or 2019 as year one based upon what is actually occurring.

Board Member Satterthwaite asked if Zion's Bank has calculated the City's total investment in projects that will benefit properties in the CDA and determined which will benefit the north and south nodes. Mayor Taylor noted that a total investment has been calculated, but that investment has not been divided among the two nodes because there are some projects that transcend both nodes, such as buried power lines in Washington Boulevard and beautification; however, the investment in the north node is higher and increased tax increment in the south node will benefit the north node. Board Member Bailey stated that Council Member Urry's concern may be coming from the fact that the Board approved a total budget for the CDA, but never had the opportunity to provide input regarding the exact amount the City would contribute to projects like those that have been completed to benefit the Village at Prominence Point project. He asked how the total City contributions were arrived upon. Board Member Urry stated that is correct and noted that he is uncomfortable with City Administration having the mentality that it is acceptable to spend an amount just because it has been included in an approved budget. Mayor Taylor noted that the expenditures have not been finalized and that is the purpose of tonight's discussion. He added that the developer of Village at Prominence Point was not made aware of the potential incentive amount until just a few days ago. He stated that the expenditures will not be executed without approval from the Board, but he would strongly urge that they approve what he is recommending this evening. He added the developer will not receive a lump sum cash amount and, rather, the incentive will be provided in the form of fee waivers for certain application fees associated with the development. This allows the City to avoid going into debt to provide the incentive and the impact fee funds will ultimately be held harmless. Board Member Urry asked if this will create liability for the City in the event a developer claims unfairness as a result of the City waiving impact fees for one developer over another. City Attorney Call noted the City is not waiving impact fees; rather an alternate funding source for the impact fees has been identified. Board Member Bailey agreed and stated he feels comfortable with the method by which the incentive is being offered and he does not feel it sets a precedence for any future development in the City. Mayor Taylor agreed and stated he feels this is a good method to stimulate development of properties in need of development or redevelopment, which will ultimately benefit the entire City. Board Member Stoker stated she is comfortable with the incentive amounts recommended by the Mayor and she noted she feels the projects will create a domino effect in that some properties cannot develop until the projects are completed. Board Members Bailey and Swanson agreed.

Board Member Bailey motioned to approve CDA Economic Fund expenditures of \$400,000 for the 1700 North Road Construction Project and \$110,000 for the Waterline Project to be

paid via a loan from impact fee revenues that will ultimately be repaid by future CDA increment. Board Member Swanson seconded the motion.

Board Member Urry asked for confirmation that the developer will not receive a lump sum of money. Mayor Taylor stated that is accurate; he stated the incentive will be provided as impact fees would have otherwise been due to the City and in the event the project becomes bankrupt, the future owner is not entitled to the same incentive.

Board Member Stoker inquired as to the impact fees that would be assessed on the residential units within the Village at Prominence Point development. Mr. Call noted impact fees for apartments are less than those for single family homes and it will be necessary for City Administration to properly calculate the impact fees to ensure the City is on safe legal ground. He noted the total impact fees assessed against each unit will be between \$5,500 and \$7,200; this includes a transportation impact fee, which should be effective before any building permit is pulled for the project. He indicated he will be providing the Council with a memo regarding his recommendation relative to the impact fees to be charged to the assisted living facility and the residential units within the development.

Voting on the motion:

Board Member Bailey	aye
Board Member Satterthwaite	aye
Board Member Stoker	aye
Board Member Swanson	aye
Board Member Urry	aye

The motion passed unanimously.

2. ADJOURNMENT

Board Member Satterthwaite motioned to adjourn. Board Member Swanson seconded the motion.

Voting on the motion:

Board Member Bailey	aye
Board Member Satterthwaite	aye
Board Member Stoker	aye
Board Member Swanson	aye
Board Member Urry	aye

The motion passed unanimously.

The meeting adjourned at 8:17 p.m.

The Council meeting reconvened at 8:17 p.m.

6. **DISCUSSION AND/OR ACTION TO CONSIDER A CLOSED MEETING TO DISCUSS THE PURCHASE, EXCHANGE, OR LEASE OF REAL PROPERTY AND REGARDING THE CHARACTER, PROFESSIONAL COMPETENCE, OR PHYSICAL OR MENTAL HEALTH OF AN INDIVIDUAL**

Council Member Swanson motioned to recess the regular meeting and convene in a closed meeting regarding strategy sessions to discuss the purchase, exchange, or lease of Real Property under State Code 52-4-205 (1) (D). Council Member Bailey seconded the motion.

Voting on the motion:

Council Member Bailey	aye
Council Member Satterthwaite	aye
Council Member Stoker	aye
Council Member Swanson	aye
Council Member Urry	aye

The motion passed unanimously.

The Council convened in a closed session at 8:18 p.m.

The meeting reconvened at 10:05 p.m.

7. **PUBLIC COMMENTS**

There were no public comments.

8. **COUNCIL/MAYOR/STAFF COMMENTS**

Council Member Urry asked that City staff follow up on his recent complaint about the sawdust pile at the top of 1700 North, which is creating a nuisance for nearby residents and users of the area.

Council Member Stoker provided the Council with an update regarding the Parks and Trails Committee; they held an election last week and Drew Johnson is the Chairman, with Alan Lunt being elected as the Planning Chairman who is responsible to attend City Council and Planning Commission meetings. She named the other leadership positions and those that were elected to them.

City Recorder Spendlove reported the City will host an open house event on January 5 to recognize Council Member Bailey and to swear in Council Member-elect Turner.

Mayor Taylor noted it is necessary for the Council to choose a member to participate in the Legislative Policy Committee. He then provided the Council with an update on the progress to hire a consultant to assist the City in transitioning to a form based code. He then reported snowplowing has been going well this year, due largely in part to the new vehicles and other equipment that are being used.

Council Member Urry asked if the heaters have been installed in the Public Works Building, to which Mayor Taylor answered yes.

Mayor Taylor then asked the Council to begin thinking about their priorities for the budget for the next fiscal year.

Council Member Satterthwaite asked for an update on the library. Mayor Taylor stated he met with County Commissioner Bell last week who committed to become engaged in discussions regarding the project in the coming weeks. The County has not applied for permits for the library expansion project, but he has heard rumors that the County has published a request for proposals (RFP) for the project.

9. **ADJOURNMENT**

Council Member Swanson motioned to adjourn. Council Member Satterthwaite seconded the motion.

Voting on the motion:

Council Member Bailey	aye
Council Member Satterthwaite	aye
Council Member Stoker	aye
Council Member Swanson	aye
Council Member Urry	aye

The motion passed unanimously.

The meeting adjourned at 10:14 p.m.

Brent Taylor, Mayor

S. Annette Spendlove, MMC
City Recorder

Date Approved